

**COMFORT LAKE – FOREST LAKE WATERSHED DISTRICT
PERFORMANCE BOND**

KNOW ALL PERSONS BY THESE PRESENTS, that _____, whose address is _____, as "Principal", and _____, a corporation duly organized under the laws of the State of _____ and authorized to transact business as a corporate Financial Assurance in the State of Minnesota, as "Financial Assurance", are jointly and severally held and firmly bound to the Comfort Lake – Forest Lake Watershed District (the "District") in the sum of _____ Dollars (\$_____), to the payment of which, well and truly to be made, we hereby bind ourselves, and each of us, and our respective heirs, executors, administrators, successors and permitted assigns, firmly by these presents.

This Performance Bond is being issued and submitted to the District by the Principal and the Financial Assurance pursuant to and in accordance with the provisions and the requirements of the Comfort Lake – Forest Lake Watershed District Rules in general, and specifically Rule 10.0 thereof. The condition of the above obligation is that application has been made to the District for Permit # _____ to conduct activities regulated under the District's Rule(s) _____, and issuance of said permit is conditioned on provision of Financial Assurance of compliance with applicable statutes, rules, permit conditions, orders, agreements and stipulations of the District. The District has authority to require submission of this Performance Bond pursuant to Minnesota Statutes § 103D.345, subdivision 4.

NOW THEREFORE, if the permit shall be granted, and if the Principal and the permittee, if different, and any agent, employee or contractor of either, shall in all respects well and faithfully perform all of the activities and things undertaken and authorized in the permit in compliance with all applicable laws, including applicable statutes, rules, permit conditions, orders, agreements and stipulations of the District and the payment, when due, of any fees or other charges required by law; and shall indemnify and save the District harmless from any damage that may arise on account of any activity subject to the above-stated permit issued by the District; and shall pay all costs to the District of administering and enforcing the terms of the above-stated permit and this Performance Bond, including reasonable attorneys' fees; then on written notification to the District of same and the District's written confirmation thereof, Financial Assurance may cancel this obligation.

FAILING THE FULL AND COMPLETE SATISFACTION of any of the foregoing, this obligation shall remain in full force and effect, and the District shall be entitled to make demand against this Performance Bond and receive payment from the Financial Assurance for all costs incurred or to be incurred by the District in bringing the permitted activity into compliance with the enumerated conditions, including but not limited to reasonable contractor, consultant and legal costs, in accordance herewith, by presentation of a demand for draft accompanied by an affidavit averring the failure of satisfaction and costs incurred or to be incurred by the District as consequence thereof. Time is of the essence in the provision of funds hereunder and the Financial Assurance shall issue the requested draft within seven (7) business days of demand. Any claim by the Financial Assurance of nonliability for the payment of all or any portion of a demand pursuant to this Performance Bond shall be reserved and shall not delay issuance of the draft.

PROVIDED HOWEVER, it is expressly understood and agreed that the liability of the Financial Assurance to any and all persons incurred during the lifetime of this Performance Bond shall not exceed the face amount hereof, as set forth above.

IT IS FURTHER PROVIDED, that the Financial Assurance shall have the right to withdraw as Financial Assurance from this bond and may do so only on giving at least thirty (30) days written notice to that effect to the Principal, at the address set forth above, to the Comfort Lake – Forest Lake Watershed District, 220 North Lake Street, Forest Lake, MN 55025, Attn: Administrator/Limnologist, and to the District in care of: Smith Partners, 1200 Old Republic Title Building, 400 Second Avenue South, Minneapolis, MN 55401, such notice to be given by registered or certified mail, return receipt requested. At any time after notice and before the close of the thirty-day notice period, the District shall be entitled to make demand against this Performance Bond and receive payment from the Financial Assurance in accordance herewith. Otherwise, the Financial Assurance's obligation to the District shall be deemed to cease on the date stated in the Financial Assurance's duly issued written notice. In either instance, the rights of the Principal and permittee under the above-stated permit shall be deemed terminated.

The Financial Assurance consents to be bound by this obligation, notwithstanding any typographical error or non-material omission or deviation in the body hereof or any informality of Principal in the execution. No modification of the terms of the above-stated permit or of applicable laws, ordinances, rules or regulations, nor any forbearance on the part of the District shall in any way release the Principal or the Financial Assurance from liability. Notice to the Financial Assurance of any such modification or forbearance is waived.

Executed by both the Principal and the Financial Assurance as of _____, 20____.

PRINCIPAL

FINANCIAL ASSURANCE

By: _____
(Signature)

By: _____
(Signature)

(Name)

(Name)

Its: _____

Its: _____

APPROVED BY: _____

DATE: _____

On this _____ day of _____, 20____, before me personally appeared on behalf of the Financial Assurance named in this Performance Bond above, and as his or her free act and deed, caused this Performance Bond to be executed as of this date.

Notary Public

On this _____ day of _____, 20____, before me personally appeared on behalf of the Principal named in this Performance Bond above, and as his or her free act and deed, caused this Performance Bond to be executed as of this date.

Notary Public

**ATTACH POWER OF ATTORNEY FROM FINANCIAL ASSURANCE TO THIS
BOND**